
**IRAC INTERNAL REVIEW AND
AUDIT COMPLIANCE OFFICE**

**FY 2003 INTERNAL REVIEW
PROGRAM**



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**TOBYHANNA ARMY DEPOT
INTERNAL REVIEW PROGRAM**

SECTION 1 – AUDITS IN PROGRESS

ENGAGEMENTS

<u>AUDIT NUMBER</u>	<u>FUNCTION CODE</u>	<u>TITLE</u>	<u>TYPE OF SERVICE</u>
IR-2002-12	19	Accreditation of Computer System Material Weakness <u>ESTIMATED REMAINING AUDITOR DAYS: 5</u>	CAS
IR-2002-28	33b	Follow-Up to DoDIG Audit of ASRS <u>ESTIMATED REMAINING AUDITOR DAYS: 30</u> <u>ESTIMATED START DATE: 3Q 03</u>	FU
IR-2002-31	33b	Follow-Up Audit of USAAA IMPAC Card <u>ESTIMATED REMAINING AUDITOR DAYS: 15</u> <u>ESTIMATED START DATE: 2Q 03</u>	FU

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SECTIONS 2 & 3 – AUDITS PLANNED

ENGAGEMENTS

PRIORITY	FUNCTION CODE	TITLE	TYPE OF SERVICE
1.	24	Group Payout Review (IR-03-01) <u>REQUESTOR:</u> AMSEL-TY-RM <u>OBJECTIVE:</u> Determine whether the methodology and supporting documentation for the FY02 NOR Group Payout supports the NOR payout per eligible employee calculation. <u>ESTIMATED AUDITOR DAYS:</u> 1 <u>ESTIMATED START DATE:</u> 1Q 03	QR
2.	11	Audit of Mission Repair Parts (IR-03-02) <u>REQUESTOR:</u> AMSEL-TY-PM <u>OBJECTIVE:</u> Determine whether the procedures for purchasing repair parts are adequate in controlling material costs. <i>(* Audit may be performed as part of a Process Action Team in conjunction with members from Directorate of Contracting and LEAN Transformation Office.)</i> <u>ESTIMATED AUDITOR DAYS:</u> 100 <u>ESTIMATED START DATE:</u> 1Q 03	QR
3.	9	Audit of Forward Repair Activity (FRA) (IR-03-03) <u>REQUESTOR:</u> AMSEL-TY-MX <u>OBJECTIVE:</u> Determine the adequacy of operations at the FRAs. <u>ESTIMATED AUDITOR DAYS:</u> 60 <u>ESTIMATED START DATE:</u> 2Q 03	FA
4.	6	Audit of Commercial Credit Card Program (IR-03-04) <u>REQUESTOR:</u> AMSEL-TY-KO <u>OBJECTIVE:</u> Perform periodic random desk audits in conjunction with Contracting to ensure the depot's IMPAC program is functioning in accordance with regulatory guidance. <u>ESTIMATED AUDITOR DAYS:</u> 30 <u>ESTIMATED START DATE:</u> 1Q 03 thru 4Q 03	CAS

5.	99	Audit of Unauthorized Purchases Using Government Travel Cards (IR-03-05) <u>REQUESTOR:</u> AMSEL-TY-RM <u>OBJECTIVE:</u> Determine whether travels on official business were making unauthorized purchases using their government travel cards. <u>ESTIMATED AUDITOR DAYS:</u> 45 <u>ESTIMATED START DATE:</u> 2Q 03	CAS
6.	11	Audit of Scrap Reporting (IR-03-06) <u>REQUESTOR:</u> AMSEL-TY-BU <u>OBJECTIVE:</u> Determine whether the costs associated Scrap are properly identified and within acceptable limits. <u>ESTIMATED AUDITOR DAYS:</u> 90 <u>ESTIMATED START DATE:</u> 3Q 03	FA
7.	17	Audit of Depreciation (IR-03-07) <u>REQUESTOR:</u> AMSEL-TY-RM <u>OBJECTIVE:</u> Determine if all new capital assets required to be depreciated are properly loaded into the Integrated Facilities System (IFS) which will cause depreciation information to automatically pass to the Defense Property Accountability System(DPAS) and then to the Standard Industrial Fund System (SIFS). Also, determine if asset values and depreciation amounts recorded on the General Ledger are representative of current in-service items and are in agreement with DPW subsidiary records. <u>ESTIMATED AUDITOR DAYS:</u> 60 <u>ESTIMATED START DATE:</u> 4Q 03	FA
8.	21	Review of Telephone Costs and Services (IR-03-08) <u>REQUESTOR:</u> AMSEL-TY-IR <u>OBJECTIVE:</u> Review adequacy of controls over telephone services and identify areas for potential cost savings. <u>ESTIMATED AUDITOR DAYS:</u> 60 <u>ESTIMATED START DATE:</u> 4Q 03	FA

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SECTION 4 – AUDIT COMPLIANCE and LIAISON

<u>FUNCTION CODE</u>	<u>TITLE</u>
33a	Audit liaison <ul style="list-style-type: none">- Required by AR 11-7 and AR 36-2- Covers time spent by Internal Review personnel in performing all liaison actions necessary to ensure the proper and professional conduct of external audit activity.- Estimated Auditor Days: 171.1- External Audits: 13
33b	Audit Compliance <ul style="list-style-type: none">- Required by AR 11-7 and AR 36-2- Covers time spent by Internal Review personnel in:<ul style="list-style-type: none">- Negotiating audit results between management and audit organizations.- Assisting management in the development of responsive replies to audit findings and reports.- Estimated Auditor Days: 8.7- Audit Follow-Ups: 2

SECTION 5 – INDIRECT and ADMINISTRATIVE TIME

<u>FUNCTION CODE</u>	<u>TITLE</u>
35	Orientation and Training <ul style="list-style-type: none">- Time allocated as special or instruction dealing with administrative and technical subjects designed to improve the auditors knowledge and skills.- Auditor Days: 25.2
37	PCS and TDY Travel <ul style="list-style-type: none">- Time allocated to attend Internal Review Workshops, etc.- Auditor Days: 0
38	Management and Administrative Functions <ul style="list-style-type: none">- Includes indirect time of auditors to perform management and administrative functions.- Auditor Days: 119.3
39	Technical Functions <ul style="list-style-type: none">- Time expended on technical audit matters other than duties directly to a specific audit. This includes special studies, audit research, and preparation of standardized audit programs.- Auditor Days: 0

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SECTION 6 – FY02 ACCOMPLISHMENTS

ENGAGEMENTS

AUDIT NUMBER	FUNCTION CODE	TITLE	TYPE OF SERVICE
IR-01-02 <i>{IR-2002-29}</i>	6	Audit of Commercial Credit Card Program Audit was subsequently executed by USAAA. <u>NON-MONETARY BENEFITS</u> : Ensured compliance with policy and improved systems/processes.	FA Liaison
IR-01-14	9	Audit of Out of Tolerance Electronics Components <u>NON-MONETARY BENEFITS</u> : Provided analysis/data to decision maker.	QR
IR-01-18	99	Audit of Boise Cascade Office Supplies <u>NON-MONETARY BENEFITS</u> : Initiated best purchase practices.	FA
IR-01-19	99	Review of Award Calculation for Value Management Project VM#010807 MONETARY BENEFITS: \$1,069.93 Cost Avoidance in current year. <u>NON-MONETARY BENEFITS</u> : Validated accuracy of support data.	QR
IR-2002-01	24	Review of FY01 NOR Group Payout <u>NON-MONETARY BENEFITS</u> : Validated accuracy of support data.	QR
IR-2002-07	33b	Follow-Up of Review of DPW's Prime Vendor Contract <u>NON-MONETARY BENEFITS</u> : Ensured compliance with policy.	FU
IR-2002-15	99	AIEP#AMVP010203 Validation <u>NON-MONETARY BENEFITS</u> : Validated accuracy of support data.	QR
IR-2002-16	4	Review of Battery Purchases <u>NON-MONETARY BENEFITS</u> : Provided analysis/data to decision maker.	QR
IR-2002-18	12	Review of OLAIMS Procedures <u>NON-MONETARY BENEFITS</u> : Provided analysis/data to decision maker.	CAS
IR-2002-23	06	Review of IMPAC Card Transaction for AMC/USAAA <u>NON-MONETARY BENEFITS</u> : Provided analysis/data to decision maker.	CAS
IR-2002-29	06	Review of Credit Card Purchase for Firehouse <u>NON-MONETARY BENEFITS</u> : Ensured compliance with policy and validated accuracy of support data.	CAS
IR-2002-32	99	AMCIG Requested Command Inquiry into Overtime Abuse <u>NON-MONETARY BENEFITS</u> : Provided analysis/data to decision maker.	CAS

IRAC RECOMMENDED THE FOLLOWING MATERIAL WEAKNESSES FOR CLOSURE:

AUDIT NUMBER	FUNCTION CODE	TITLE	TYPE OF SERVICE
IR-2002-11	35	Electro-Static Discharge Validation (AMSEL-TY-2000-1) <u>NON-MONETARY BENEFITS:</u> Improved management controls.	FU
IR-2002-13	35	Visual Information Area SOP Validation (AMSEL-TY-2001-1) <u>NON-MONETARY BENEFITS:</u> Improved management controls.	FU
IR-2002-21	35	Coal Pile Runoff Validation (SDSTO-91-9) <u>NON-MONETARY BENEFITS:</u> Improved quality of storm water runoff.	FU
IR-2002-30	35	Quarterly Submission of ASRS Report Validation (AMSEL-TY-2001-4) <u>NON-MONETARY BENEFITS:</u> Improved management controls.	FU

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SECTION 7 – SUMMARY OF SCHEDULED FY02 AUDITS NOT PERFORMED

1. Follow-Up of Operation Santa Claus (IR-02-02)

IRAC was unaware at the time that we were prohibited from providing audit services to private organizations. CECOM IRAC brought this to our attention and the audit was dropped. No time was expended on this audit.

2. Audit of DPW Facilities Part Room (IR-02-03)

3. Follow-Up Review of DPW's Prime Vendor Contract (IR-01-10)

Due to the upcoming restructuring of the DPW organization as a result of the implementation of the MEO and DPW ceasing business relationships with the Prime Vendor both audits became overcome by changing events.

4. Audit of Ft Hood Forward Repair Activity (IR-01-04)

5. Audit of Depreciation (IR-01-07)

6. Audit of Government Bills of Lading (IR-01-08)

7. Follow-Up of Quick Response Audit of Physical Security of Small Arms Room (IR-01-09)

8. Audit of In-Transit Inventory (IR-01-12)

These five audits were not performed because of 13 Liaison Audits that required a substantial amount of IRAC involvement and a significant amount of Unprogrammed Reviews that were requested during FY02 that IRAC personnel determined took precedence at the time. Reference pages 7 and 8.

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FUNCTION CODES

- 1 Research and Development
- 2 Test and Evaluation
- 3 Major System Acquisition
- 4 Procurement -Inventory Control Activities
- 5 Procurement- Research and Development
- 6 Procurement-Other
- 7 Contract Administration
- 8 Forces Management
- 9 Maintenance & Repair of Equipment
- 10 Rebuild & Overhaul of Equipment
- 11 Manufacturing & Production
- 12 Supply Operations - Wholesale
- 13 Supply Operations - Retail
- 14 Property Disposal
- 15 Civilian Personnel Management
- 16 Military Personnel Management
- 17 Real & Installed Property
- 18 Construction
- 19 Information Technology
- 20 Intelligence & Security
- 21 Communications
- 22 Transportation
- 23 Military Pay & Benefits
- 24 Civilian Pay & Benefits
- 25 Program & Budget
- 26 Other Comptroller Functions
- 27 Support Services
- 28 Non-Appropriated Fund Activities
- 29 Security Assistance Program
- 30 Commercial Activities Program
- 31 Investigative Support
- 32 Health Care
- 33a External Audit Liaison
- 33b Follow-Up
- 34 Financial Statements (CFO)
- 35 Management Control Process Administration
- 99 Other

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APPROVALS

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